

104TH CONGRESS
1ST SESSION

H. R. 2042

To authorize the Secretaries of State, Treasury, and Commerce to jointly conduct a comprehensive investigation of business practices by the State of Kuwait relating to the financial and commercial treatment of United States persons and of the Kuwait system for the resolution of commercial disputes.

IN THE HOUSE OF REPRESENTATIVES

JULY 13, 1995

Mr. MCINTOSH introduced the following bill; which was referred to the
Committee on International Relations

A BILL

To authorize the Secretaries of State, Treasury, and Commerce to jointly conduct a comprehensive investigation of business practices by the State of Kuwait relating to the financial and commercial treatment of United States persons and of the Kuwait system for the resolution of commercial disputes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Kuwait Business Prac-
5 tices Review Act of 1995”.

1 **SEC. 2. CONGRESSIONAL FINDINGS.**

2 The Congress makes the following findings with re-
3 spect to United States commercial relations with the State
4 of Kuwait:

5 (1) United States companies or companies oper-
6 ated or owned in whole or in part by United States
7 persons maintain a major presence in the State of
8 Kuwait, the result of projects undertaken prior to
9 the Gulf War as well as significant Kuwaiti rebuild-
10 ing projects resulting directly from the Gulf War.

11 (2) The volume of United States business par-
12 ticipation in Kuwait at the present time is of suffi-
13 cient magnitude to require congressional oversight
14 as part of Congress' overall foreign policy respon-
15 sibilities.

16 (3) A number of United States persons have
17 brought to Congress' attention recent serious dif-
18 ficulties in their financial and commercial relations
19 with Kuwait, and in resolving these disputes both
20 within and without the State of Kuwait.

21 (4) As a result of the United States determina-
22 tion, sacrifice, and support of the Kuwaiti State dur-
23 ing operations Desert Shield and Desert Storm, the
24 Kuwaiti Government should be particularly sensitive
25 to provide fundamental fairness to American persons
26 involved in financial and commercial transactions in

1 or involving Kuwait, including with respect to the
2 settlement of disputes.

3 (5) It is in the interests of both the United
4 States and the State of Kuwait that any financial
5 and commercial practices which threaten continued
6 good relations be examined and resolved as quickly
7 as possible.

8 **SEC. 3. INVESTIGATION AND REPORT.**

9 (a) INVESTIGATION.—The Secretaries of State, Com-
10 merce, and Treasury are hereby directed to conduct a joint
11 investigation of financial and commercial practices by the
12 State of Kuwait and its departments and agencies with
13 respect to—

14 (1) the commercial and financial treatment of
15 entities doing business in or with Kuwait which are
16 operated or owned in whole or in part by United
17 States persons, with specific reference to the nature
18 of current disputes and the system now in effect to
19 resolve such disputes; and

20 (2) whether the Government of Kuwait has en-
21 gaged in conduct which would be considered an
22 abuse of established legal norms in its own country
23 or elsewhere as a means to conceal inappropriate
24 commercial and financial practices.

1 (b) REPORT.—Not later than 180 days after the date
2 of enactment, the Secretaries shall submit a joint report
3 to the Congress with respect to the results of the investiga-
4 tion authorized under section 3 of this Act, such report
5 to include—

6 (1) specific proposals on actions which the
7 United States should take to improve the treatment
8 of entities doing business in or with Kuwait which
9 are operated or owned in whole or in part by United
10 States persons, and making recommendations to im-
11 prove whatever mechanisms are now in place for
12 commercial dispute resolution; and

13 (2) recommendations regarding whether the fi-
14 nancial and commercial practices of the Government
15 of Kuwait are so violative of international and do-
16 mestic law and generally accepted principles of good
17 faith and comity that the United States should con-
18 sider restrictive economic measures against Kuwait,
19 such measures to take into account Kuwaiti assets
20 in the United States.

21 **SEC. 4. DIPLOMATIC REMEDIES.**

22 Not later than 180 days after the report which is
23 mandated by this section has been submitted, the Sec-
24 retary of State shall recommend to Congress appropriate
25 modifications of the relationship between the United

1 States and the State of Kuwait if such State has failed
2 to remedy any improper financial, commercial, or legal
3 practices found to exist under this Act.

4 **SEC. 5. EFFECTIVE DATE.**

5 This Act shall become effective on the date of enact-
6 ment.

